

2011 Project Abstract

For the Period Ending June 30, 2014

PROJECT TITLE: Reinvest in Minnesota Wetlands Reserve Acquisition and Restoration Program Partnership

PROJECT MANAGER: Karli Tyma

AFFILIATION: Minnesota Board of Water and Soil Resources

MAILING ADDRESS: 520 Lafayette Road

CITY/STATE/ZIP: St. Paul, MN 55155

PHONE: 651-296-2570

E-MAIL: karli.tyma@state.mn.us

WEBSITE: <http://www.bwsr.state.mn.us>

FUNDING SOURCE: Environment and Natural Resources Trust Fund)

LEGAL CITATION: M.L. 2011, First Special Session, Chp. 2, Art.3, Sec. 2, Subd. 09d

APPROPRIATION AMOUNT: \$1,645,000

Overall Project Outcome and Results

The Reinvest in Minnesota (RIM) - Wetlands Reserve Program (WRP) partnership is a local-state-federal partnership delivered locally by the Natural Resources Conservation Service (NRCS), the Board of Water and Soil Resources (BWSR), and county Soil and Water Conservation Districts (SWCDs). The goal of the RIM-WRP partnership is to protect land with perpetual conservation easements and restore high quality wetlands and native grassland in order to maximize wetland functions and values and optimize wildlife habitat. For this particular project, ENTRF funds were used to secure permanent conservation easements via the RIM-WRP partnership as part of a larger effort to protect and restore the drained Crooked Lake basin in Douglas County, MN.

The Crooked Lake Restoration project is a multi-partner project that aims to restore the drained shallow lake bed, which prior to its drainage in the early 1900s was home to diverse populations of aquatic invertebrates and provided thousands of acres of critical wildlife habitat. Project outcomes include reduced nutrient loading and sedimentation to nearby (impaired) Lake Osakis and improved water quality throughout the Sauk River watershed. The Crooked Lake restoration project was deemed a Federal priority in 2011 by USDA under the Mississippi River Basin Initiative (MRBI). Led by both the Douglas Soil and Water Conservation District (SWCD) and the Sauk River Watershed District and with the cooperation of USDA NRCS, BWSR, Ducks Unlimited, and many other local, state, and federal partners, the Crooked Lake Project evolved over the past decade.

Primary goals to restore this shallow lake for wildlife and water quality purposes have been at the forefront. The proposed pool elevation (1334.0'), along with adjacent upland makes up the project boundary. Scoring criteria was developed that had the highest priority applications being those located within the pool and secondary priority was then directed at the associated adjacent land to the pool.

ENTRF funds were used to protect 630.7 acres with perpetual conservation easements on which 586 acres of wetlands and 45 acres of associated upland/grassland will be restored, providing multiple ecological and wildlife benefits and assisting with local water quality goals.

Project Results Use and Dissemination

Public outreach for this project was conducted at the local level by Douglas SWCD, local NRCS staff, and other program partners. SWCD staff held public meetings to raise awareness of this project and to educate landowners about the public and ecological benefits of restoring the drained lake bed. SWCD staff also met with landowners in the project area one-on-one to discuss the options/benefits of enrolling in either the RIM-WRP or WREP conservation easement options available in the project area.

More information about the RIM-WRP program can be found online at <http://www.bwsr.state.mn.us/easements/RIM-WRP/>

The ENTRF funded RIM-WRP easements (as with all RIM and RIM-WRP easements) can be viewed by the public via the BWSR webmap located at <http://maps.bwsr.state.mn.us/rimonline/>



**Environment and Natural Resources Trust Fund (ENRTF)
M.L. 2011 Work Plan Final Report**

Date of Status Update: 09/25/2014

Final Report

Date of Work Plan Approval: 12/07/2011

Project Completion Date: 06/30/2014

Is this an amendment request? no

Project Title: Reinvest in Minnesota Wetlands Reserve Acquisition and Restoration Program Partnership

Project Manager: Karli Tyma

Affiliation: Board of Water and Soil Resources

Address: 520 Lafayette Rd

City: St Paul **State:** MN **Zipcode:** 55155

Telephone Number: (612) 807-0445

Email Address: karli.tyma@state.mn.us

Web Address: <http://www.bwsr.state.mn.us>

Location:

Counties Impacted: Douglas, Pope, Stearns, Todd

Ecological Section Impacted: Minnesota and Northeast Iowa Morainal (222M), North Central Glaciated Plains (251B)

Total ENRTF Project Budget:	ENRTF Appropriation \$:	1,645,000
	Amount Spent \$:	<u>623,637</u>
	Balance \$:	1,021,363

Legal Citation: M.L. 2011, First Special Session, Chp. 2, Art.3, Sec. 2, Subd. 09d

Appropriation Language:

\$1,645,000 the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements and restore wetlands and associated upland habitat in cooperation with the United States Department of Agriculture Wetlands Reserve Program. A list of proposed land acquisitions must be provided as part of the required work program.

I. PROJECT TITLE: Reinvest in Minnesota Wetlands Reserve Acquisition and Restoration Program Partnership

II. FINAL PROJECT SUMMARY:

The Reinvest in Minnesota (RIM) - Wetlands Reserve Program (WRP) partnership is a local-state-federal partnership delivered locally by the Natural Resources Conservation Service (NRCS), the Board of Water and Soil Resources (BWSR), and county Soil and Water Conservation Districts (SWCDs). The goal of the RIM-WRP partnership is to protect land with perpetual conservation easements and restore high quality wetlands and native grassland in order to maximize wetland functions and values and optimize wildlife habitat. For this particular project, ENTRF funds were used to secure permanent conservation easements via the RIM-WRP partnership as part of a larger effort to protect and restore the drained Crooked Lake basin in Douglas County, MN.

The Crooked Lake Restoration project is a multi-partner project that aims to restore the drained shallow lake bed, which prior to its drainage in the early 1900s was home to diverse populations of aquatic invertebrates and provided thousands of acres of critical wildlife habitat. Project outcomes include reduced nutrient loading and sedimentation to nearby (impaired) Lake Osakis and improved water quality throughout the Sauk River watershed. The Crooked Lake restoration project was deemed a Federal priority in 2011 by USDA under the Mississippi River Basin Initiative (MRBI). Led by both the Douglas Soil and Water Conservation District (SWCD) and the Sauk River Watershed District and with the cooperation of USDA NRCS, BWSR, Ducks Unlimited, and many other local, state, and federal partners, the Crooked Lake Project evolved over the past decade.

Primary goals to restore this shallow lake for wildlife and water quality purposes have been at the forefront. The proposed pool elevation (1334.0'), along with adjacent upland makes up the project boundary. Scoring criteria was developed that had the highest priority applications being those located within the pool and secondary priority was then directed at the associated adjacent land to the pool.

ENTRF funds were used to protect 630.7 acres with perpetual conservation easements on which 586 acres of wetlands and 45 acres of associated upland/grassland will be restored, providing multiple ecological and wildlife benefits and assisting with local water quality goals.

III. PROJECT STATUS UPDATES:

Project Status as of June 30th, 2012

The Board of Water and Soil Resources and Douglas SWCD staff have been working through the RIM/WRP application and easement acquisition process with landowners in the Crooked Lake Basin. 4 RIM/WRP applications have been approved to date and are currently in the processing phase. SWCD staff continue to promote the project to landowners in the project area and have reported interest in the program from multiple landowners.

Douglas SWCD recently met with DU, who plan to do a topographic survey of the basin in August or September of this year. Upon the survey completion, wetland restoration design work can begin.

Project Status as of January 31st, 2013

BWSR staff and Douglas SWCD continue to solicit the Crooked Lake Restoration RIM/WRP project to landowners in the proposed project area. One of the funded easement has fully closed and the 3 other approved easements are moving towards closing. There have been no additional applications approved since the last status update. Landowner interest in the project is currently less than projected, and field staff are having some difficulty securing applications for the project. According to the SWCD, this may be partially due to the zeroing of funds for the Wetland Preservation Area (WPA) property tax incentive. SWCD and NRCS field staff are currently working with local legislators to see if funding for the WPA property tax program can be reinstated. SWCD and NRCS staff will continue to promote the project locally and seek out interested landowners during the spring/summer of 2013. If

landowner participation does not result in enough acquired acres to restore all of the Crooked Lake basin, individual restoration plans will include restoring as many wetland acres possible within the parcels acquired. With already over 600 acres of land approved for acquisition, a significant amount of wetlands could be restored. Continued efforts will be focused on acquiring easements adjacent to those which have already been successfully enrolled, in order to achieve the greatest continuity of restorable area possible, and therefore maximize the habitat and water quality benefits of the project.

Project Status as of November 20th 2013

BWSR and NRCS have received no new landowner applications for RIM-WRP easements in the Crooked Lake Basin since the last status update. Landowner interest in the program in this particular area has turned out to be much less than originally anticipated. Currently, individual restoration plans have been developed on a per-site basis with every effort made to maximize restored wetland acres on each easement. Due to a substantial backlog of RIM-WRP applications taking up to three years to process as well as increased crop prices and land rental rates during the easement processing period, the BWSR board approved a resolution for an increased RIM payment rate as an incentive to keep landowners interest in the program while they await closing. 2 of the 4 easements under contract for Crooked Lake have fully closed. The 2 easements currently in process will receive the higher payment rate, explaining the increase in our dollars spent despite no additional easement agreements at this time.

Final Report Summary November 30th 2014

ENTRF funds were used to protect over 630 acres of land in the drained Crooked Lake Basin via conservation easement acquisition utilizing the RIM-WRP partnership. This effort will allow for restoration of 586 acres of high quality wetland habitat and 45 acres of associated upland grassland, and will help contribute to local water quality goals including reduced sediment reduction and nutrient loading in the nearby impaired Lake Osakis and throughout the Sauk River watershed. Though prospects were set high, and 24 easements were proposed for acquisition, landowner interest in enrolling in the program was influenced by a number of factors including increased crop prices and the ability to farm the drained lake bed in drier years, resulting in less enrollment than was initially proposed. Therefore, only about 1/3 of funds were utilized, and the balance will be returned to fund future natural resource initiatives.

IV. PROJECT ACTIVITIES AND OUTCOMES:

ACTIVITY 1: Acquire Reinvest in Minnesota-Wetland Reserve Program conservation easements on approximately 1500 acres within the Crooked Lake Restoration area

Description:

24 perpetual RIM/WRP easements are proposed on approximately 1500 acres within the Crooked Lake restoration area. Proposals were sent to eligible landowners via Douglas County SWCD and the application process is underway. The proposed easement acres are the minimum acres required to restore the basin to 2 feet above the proposed pool elevation. Landowners will have the option to enroll more acres, but the acres proposed will be sufficient to allow restoration of the basin to occur. Eligible applications that are selected for RIM-WRP funding are required to undergo a comprehensive site analysis which will ultimately determine the final easement acres.

Under the RIM-WRP partnership, easements are held by NRCS for the first 30 years, and then the perpetual RIM easement takes over. Once a RIM-WRP easement is acquired, NRCS is responsible for the maintenance, inspection and monitoring of the site during the life of their 30-year WRP easement, including all associated costs for these activities. The state of Minnesota assumes sole responsibility via its perpetual RIM Reserve easement once the 30-year WRP easement has expired. The BWSR partners with local SWCDs to carry out monitoring and oversight of its conservation easements, to ensure compliance with easement restrictions and covenants and to ensure that the site continues to

meet program goals into perpetuity. RIM funds used for acquisition of remaining parcels will provide the funds associated with long-term monitoring for the entire project.

Summary Budget Information for Activity 1:

ENRTF Budget: \$ 1,645,000
Amount Spent: \$ 623,637
Balance: \$ 1,021,363

Activity Completion Date: June 30, 2014

Outcome	Completion Date	Budget
1. Acquire RIM-WRP conservation easements on 1500+ acres	June 30, 2014	\$1,588,355
2. SWCD services for acquisition	June 30,2014	\$48,000
3. Project management (.1FTE) for 2 years	June 30,2014	\$8,645

Activity Status as of June 30th, 2012

4 RIM/WRP easements applications have been approved for funding to date, totaling 631 acres. One additional application is pending approval at the Douglas SWCD office.

Activity Status as of January 31st, 2013

One easement has closed in the Crooked Lake Basin for a total of 343.9 acres. 3 other easements applications have been approved and are currently being processed by BWSR and NRCS staff and moving toward closing. The total proposed acres of these four easements is 630.7 acres. This is over one third of our goal of approximately 1500 acres to be acquired to restore the majority of Crooked Lake. The 4 parcels that have been funded or approved for funding are located near the center of the project area, and are all adjacent to one another. This means that at least a portion of the basin will be able to be restored with just those parcels already acquired. The attached map shows which of the proposed easement parcels have been enrolled or approved thus far.

Activity Status as of November 20th, 2013

2 easements on our acquisition list have closed as of this date. Two other easement agreements have been obtained and have had funds encumbered and are currently in processing. The latter two easements will receive the higher payment rate discussed in the project status above. Total acreage acquired with these 4 easements will total 630.7 acres, where wetlands and associated upland buffers will be restored on a per-site basis.

Final Report Summary

4 of the 24 proposed easements were acquired using ENTRF funding via the RIM-WRP partnership and leveraging over \$885,000 in federal funds toward acquisition. Perpetual conservation easements have been recorded over 630.7 acres of land in the center of the drained lakebed. Easements acquisition efforts were focused on land in the center of the basin and adjacent to other easements to maximize restoration potential. Over 1/3 of our initial goal of proposed acreage for acquisition has been protected via this project. Though acquired acres are less than we had hoped, it will still allow for hundreds of acres of wetland and associated upland habitat to be restored providing multiple wildlife and ecological benefits in the Crooked Lake Basin.

V. DISSEMINATION:

Final Report Summary

Public outreach for this project was conducted at the local level by Douglas SWCD, local NRCS staff, and other program partners. SWCD staff held public meetings to raise awareness of this project and to educate landowners about the public and ecological benefits of restoring the drained lake bed. SWCD

staff also met with landowners in the project area one-on-one to discuss the options/benefits of enrolling in either the RIM-WRP or WREP conservation easement options available in the project area.

More information about the RIM-WRP program can be found online at <http://www.bwsr.state.mn.us/easements/RIM-WRP/>

The ENTRF funded RIM-WRP easements (as with all RIM and RIM-WRP easements) can be viewed by the public via the BWSR webmap located at <http://maps.bwsr.state.mn.us/rimonline/>

VI. PROJECT BUDGET SUMMARY:

A. ENRTF Budget:

Budget Category	\$ Amount	Explanation
Personnel:	\$8,645	Project manager time 0.10 FTE for 2 years
Service Contracts	\$48,000	\$2000 per easement to Douglas SWCD for easement acquisition services
Easement Acquisition:	\$1,588,355	Acquisition of RIM/WRP easements within project area
TOTAL ENRTF BUDGET:	\$1,645,000	

Explanation of Use of Classified Staff:

Classified staff, Karli Tyma, has been appointed project manager. Karli’s status will increase from .8 FTE to 1 FTE due to increased workload, including but not limited to this project.

Number of Full-time Equivalent (FTE) funded with this ENRTF appropriation:

.1 FTE (Karli Tyma) for project management

Number of Full-time Equivalent (FTE) estimated to be funded through contracts with this ENRTF appropriation:

B. Other Funds:

Source of Funds	\$ Amount Proposed	\$ Amount Spent	Use of Other Funds
USDA-NRCS Wetland Reserve Program dollars leveraged at \$1.6/1	\$2,541,365	\$885,827	<i>Funds will be used to acquire easements under the RIM/WRP partnership in the Crooked Lake project area.</i>
TOTAL OTHER FUNDS:	\$2,541,365	\$885,827	

VII. PROJECT STRATEGY:

A. Project Partners: Partners involved in the easement acquisition using ENTRF funds include Douglas Soil and Water Conservation district, USDA-NRCS, and the Board of Water and Soil Resources. The federally funded Crooked Lake MRBI-WREP project has additional partners including Ducks Unlimited, the Sauk River Watershed District, Vikings sportsman club, and Lake Osakis Lake Association.

B. Project Impact and Long-term Strategy The \$1.645 million ENTRF appropriation will allow the state to leverage \$2.632 million in federal WRP funding towards easement acquisition. The funding will allow us to protect 1500 or more acres with permanent conservation easements, and accelerate the effort to restore and protect thousands of acres of wetlands and grasslands within the Crooked Lake Basin. Remaining easements will be obtained under the WREP program, or with additional RIM WRP

funding. As previously mentioned, restoration will be completed using other funding. Ducks Unlimited will provide a portion of restoration costs associated with the survey, design, and construction of a water control structure to ultimately restore Crooked Lake. In October the BWSR Board allocated up to \$5M in 2012 bond funds for RIM to leverage the NRCS MRBI-WREP Initiative.

C. Spending History: *n/a*

VIII. ACQUISITION/RESTORATION LIST: (attached)

Attachment A: Budget Detail for M.L. 2011 (FY 2012-13) Environment and Natural Resources Trust Fund Projects

Project Title: <i>Reinvest in Minnesota Wetlands Reserve Acquisition and Restoration Partnership</i>					
Legal Citation: <i>M.L. 2011, First Special Session, Chp.2, Art.3, Sec.2, Subd 9(d)</i>					
Project Manager: Karli Tyma					
M.L. 2011 (FY 2012-13) ENRTF Appropriation: \$1,645,000					
Project Length and Completion Date: <i>June 2014</i>					
Date of Update: 11/20/2013					
ENVIRONMENT AND NATURAL RESOURCES TRUST FUND BUDGET	Activity 1 Budget	Amount Spent	Balance	TOTAL BUDGET	TOTAL BALANCE
BUDGET ITEM	<i>Easement Acquisition</i>				
Personnel (Wages and Benefits)					
Karli Swenson, classified staff, State Program Administrator Intermediate: \$43,222 (100% Salary) 0.1 FTE for 2 years for project management	8,645	8,645	0	8,645	0
Service contracts					
Douglas SWCD Staff receive \$2000/per easement for acquisition services. \$2000 x 24 proposed easements	48,000	8,000	40,000	48,000	40,000
Easement Acquisition					
RIM/WRP easment acquisition	1,588,355	606,992	981,363	1,588,355	981,363
COLUMN TOTAL	\$1,645,000	\$623,637	\$1,021,363	\$1,645,000	\$1,021,363

**Environment and Natural Resources Trust Fund
M.L. 2011 Acquisition/Restoration List**

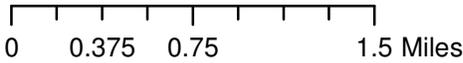
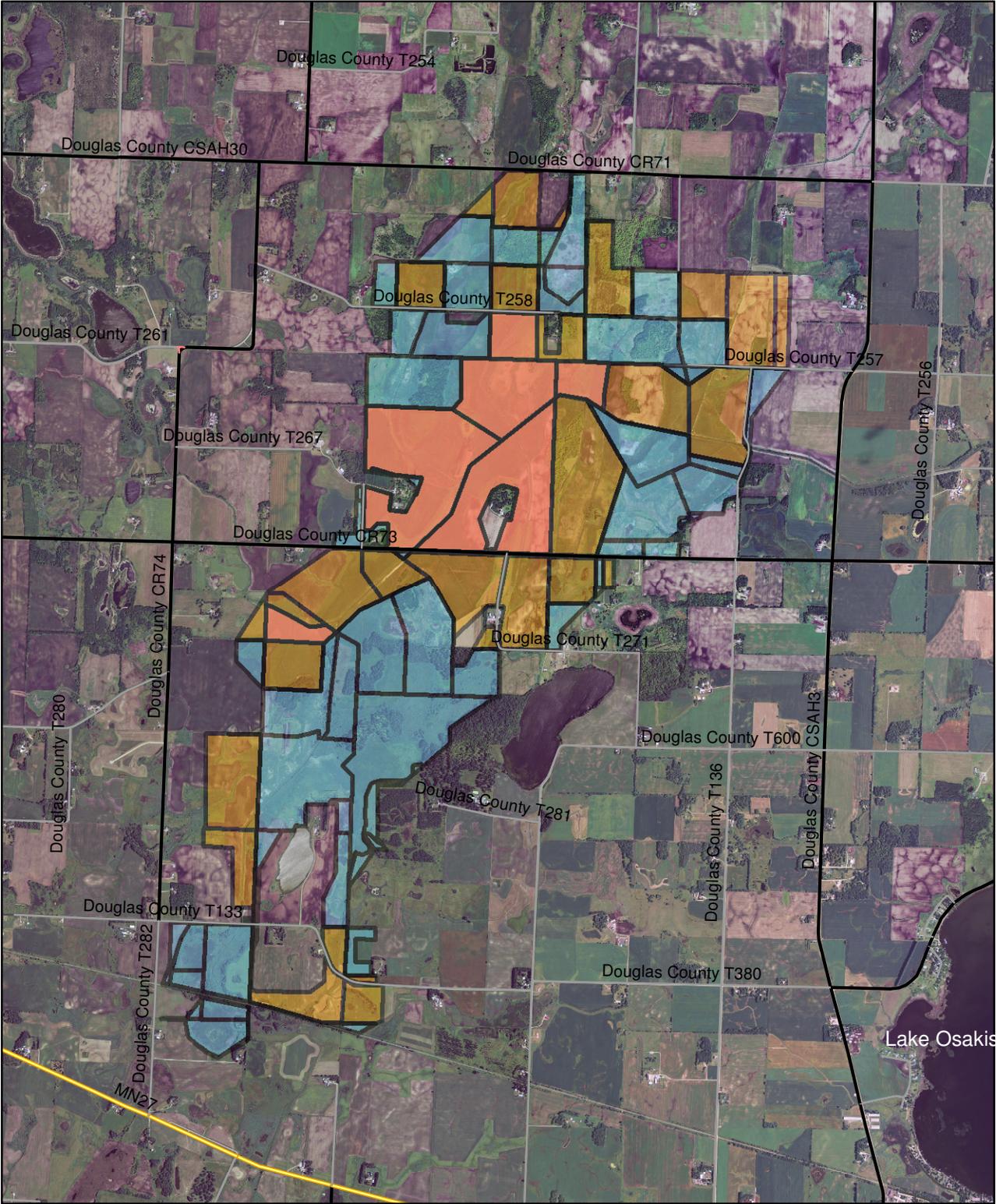
Project Title: Reinvest in Minnesota Wetlands Reserve Acquisition and Restoration Partnership
Project Manager Name: Karli Tyma
M.L. 2011 ENRTF Appropriation: \$1,645,000

#	Acquisition or Restoration Parcel Name	Geographic Coordinates (Provide Latitude/Longitude OR UTM-X/UTM-Y)		County	Ecosystem Description	Ecological Significance	Activity Description	# of Acres	# of Shoreline Miles (if applicable)	Type of Landowner	Proposed Fee Title or Easement Holder (if applicable)	Status
		Latitude or UTM-X	Longitude or UTM-Y									
1	J. Brown RIM/WRP	328809	5088613	Douglas	Hayland/Wetland	Restorable Wetland	Purchase Easement	343.9		Private	NRCS/BWSR	Easement Acquired
2	B. Brown RIM/WRP	328967	5089175	Douglas	Hayland	Restorable Wetland	Purchase Easement	39.5		Private	NRCS/BWSR	Easement Acquired
3	Hawkins RIM/WRP	329063	5088086	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	192.2		Private	NRCS/BWSR	Easement Acquired
4	Rutten RIM/WRP	327093	5086705	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	55.1		Private	NRCS/BWSR	Easement Acquired
5	Guyette RIM/WRP	329400	5087209	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	251.9		Private	NRCS/BWSR	PROPOSED
6	Walsh RIM/WRP	327464	5083992	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	24		Private	NRCS/BWSR	PROPOSED
7	Melzer RIM/WRP	327073	5086384	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	31		Private	NRCS/BWSR	PROPOSED
8	Erickson RIM/WRP	327,684	5,083,502	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	10		Private	NRCS/BWSR	PROPOSED
9	Gutenkauf RIM/WRP	329748	5089691	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	14		Private	NRCS/BWSR	PROPOSED
10	Gettel RIM/WRP	326702	5083241	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	12		Private	NRCS/BWSR	PROPOSED
11	Johanson RIM/WRP	329781	5087165	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	2		Private	NRCS/BWSR	PROPOSED
12	Larson RIM/WRP			Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	8		Private	NRCS/BWSR	PROPOSED
13	Rooney RIM/WRP	326643	5084773	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	22		Private	NRCS/BWSR	PROPOSED
14	Morisette RIM/WRP	331049	5089722	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	17		Private	NRCS/BWSR	PROPOSED
15	Sward RIM/WRP	327404	5086915	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	120		Private	NRCS/BWSR	PROPOSED
16	Strong RIM/WRP	329424	5089115	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	10		Private	NRCS/BWSR	PROPOSED
17	Heid RIM/WRP	328703	5090302	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	10		Private	NRCS/BWSR	PROPOSED
18	Haffner RIM/WRP	326543	5085403	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	27		Private	NRCS/BWSR	PROPOSED
19	Brouns RIM/WRP	330600	5089528	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	62		Private	NRCS/BWSR	PROPOSED
20	Brouns RIM/WRP	330078	5088685	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	47		Private	NRCS/BWSR	PROPOSED
21	Brouns RIM/WRP	331064	5089314	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	130		Private	NRCS/BWSR	PROPOSED
22	Brouns RIM/WRP	329008	5090346	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	27		Private	NRCS/BWSR	PROPOSED
23	Zimmer RIM/WRP	328933	5089603	Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	43		Private	NRCS/BWSR	PROPOSED
24	Zimmer RIM/WRP			Douglas	Cropland/Wetland	Restorable Wetland	Purchase Easement	36		Private	NRCS/BWSR	PROPOSED

1534.6

NOTES:

Crooked Lake Restoration Project Parcels for Acquisition



Legend

-  Parcels where RIM/WRP easements acquired
-  Parcels where RIM/WRP easements are proposed
-  Parcels where WREP easements are proposed

